

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

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| THE NOTICE OF PURCHASED GAS |) | |
| ADJUSTMENT FILING OF EAST |) | CASE NO. 8114-I |
| KENTUCKY UTILITIES, INC. |) | |

O R D E R

On August 10, 1981, the Commission issued its Order in Case No. 8114 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On April 19, 1984, East Kentucky Utilities, Inc., ("East Kentucky") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Kentucky West Virginia Gas Company ("Kentucky West"), effective May 1, 1984, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) East Kentucky's notice of April 19, 1984, set out certain revisions in rates which East Kentucky proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$153,238.

(2) Kentucky West filed an application for decreased rates to become effective May 1, 1984, with the Federal Energy Regulatory Commission.

(3) East Kentucky's notice of April 19, 1984, contained an error in the calculation of the decrease in rates. The reduction should be 77.07 cents per Mcf rather than 78.20 as proposed.

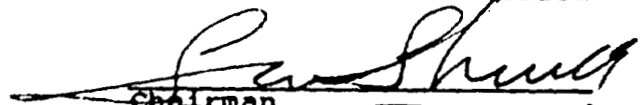
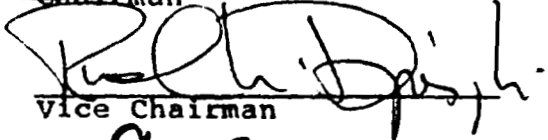

(4) East Kentucky's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8114 dated August 10, 1981, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after May 1, 1984.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after May 1, 1984.

IT IS FURTHER ORDERED that within 30 days of the date of this Order East Kentucky shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 7th day of May, 1984.

PUBLIC SERVICE COMMISSION


Chairman

Vice Chairman

Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 8114-I DATED 5/7/84

The following rates and charges are prescribed for the customers served by East Kentucky Utilities, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

| | |
|-------------|------------------|
| First 1 Mcf | \$7.8204 per Mcf |
| Over 1 Mcf | 4.7804 per Mcf |

Minimum Bill: \$5.40 for less than 1 Mcf.

The base rate for the future application of the purchased gas adjustment clause of East Kentucky Utilities, Inc., shall be:

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|--|----------------------------|
| Kentucky West Virginia Gas Company | Commodity \$3.6759/dth* |
| *Includes \$0.0125 per Dth - Gas Research Institute Funding Charge | |

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| Southeastern Gas Company | 0.46/Mcf |
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